



STATEMENT REGARDING

SENATE BILL 121: AAC THE PROVISION OF DEVELOPMENT SERVICES TO REGIONAL ECONOMIC DEVELOPMENT DISTRICTS AND THE AUTHORITY TO PURSUE ECONOMIC DEVELOPMENT STRATEGIES

COMMERCE COMMITTEE

MARCH 10TH, 2010

The MetroHartford Alliance is the Region's economic development leader and the City's Chamber of Commerce. Our investors include businesses of all sizes, health care providers, institutions of higher education, and municipalities. All of these investors share a common interest in the full economic and employment recovery of Connecticut, in a dynamic Capital City, and in the enhanced ability for the Region to compete for jobs, capital, and talent.

To support economic development, many regions in Connecticut are organized to plan and implement development programs at the regional level. To this point, several regions have adopted Comprehensive Economic Development Strategies (CEDs) approved by chief elected officials, the business community and the federal government through EDA at the U.S. Department of Commerce. The CEDs planning process ensures that regions prioritize their projects, an exercise that promotes the most efficient and impactful use of federal, state and municipal funds. The EDA requires the development of CEDs in conjunction with Economic Development Districts (EDDs). Two years ago we strongly supported passage of legislation to enable our state to establish EDDs as a conduit for potential new funding.

Unfortunately, for a variety of reasons, the federal government continues to underfund projects within EDD's, which impacts the ability to support CEDs' prioritized public works type projects. These projects include major construction initiatives that are a key driver for job retention and creation in the region in a sector that has suffered from high rates of unemployment as a result of the recent recession.

As we continue to be skeptical regarding stable future funding through EDA, we support initiatives such as Senate Bill 121, which potentially gives EDDs greater autonomy through the establishment of independent contracting capabilities and access to funding alternatives. As we undergo CEDS planning in the Hartford region over the next year, it would be helpful to have greater predictability of available funding in order to plan and prioritize projects. However, absent that commitment on the federal level, access to any new dollars to support critical job growth and economic development has a potentially favorable impact on our ability to move ahead.

We appreciate the legislature raising this proposal to position us as stronger competitors for any federal funding that may become available in the future. Finally, we look forward to continuing to work with the Governor and the Legislature to sustain economic and employment growth for the balance of this decade and beyond.